

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

IN RE: KINDER MORGAN OPERATING L.P. "A"	DOCKET NO. HLP-98-0010
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DECISION AND ORDER GRANTING PERMIT

(Issued October 25, 1999)

On August 5, 1998, Kinder Morgan Operating L.P. "A" (Kinder Morgan), Houston, Texas, filed a petition with the Utilities Board (Board) requesting a permit to operate and maintain an existing hazardous liquid pipeline pursuant to IOWA CODE § 479B.4 (1999). On January 8, 1999, Kinder Morgan filed an amended petition. On September 28, 1999, Kinder Morgan filed an amended and substituted Exhibit A to the amended petition. Kinder Morgan requests a pipeline permit for approximately 126 miles of pipeline with an outside diameter of 8.625" and 160 miles of pipeline with an outside diameter of 10.75" for the transportation of liquid hydrocarbons in Fremont, Mills, Montgomery, Pottawattamie, Cass, Adair, Madison, Warren, Polk, Jasper, Poweshiek, Iowa, Johnson, Cedar, and Scott counties. The pipeline was constructed in two segments. The first 126 miles of pipeline from the Iowa/Nebraska state line to Des Moines was constructed in 1968. The second 160 miles of pipeline from Des Moines to the Iowa/Illinois state line was constructed in 1969.

In Kinley Corporation v. Iowa Utilities Board, 999 F.2d 354 (8th Cir. 1993), the Court rendered all hazardous liquid pipeline permits issued in Iowa void. In response, IOWA CODE chapter 479B was enacted during the 1995 Regular Session

of the Seventy-sixth General Assembly. Since all existing permits were voided by the Court, IOWA CODE § 479B.4 (1999) provides that any pipeline company currently owning or operating a hazardous liquid pipeline or underground storage facility in Iowa shall be issued a permit upon filing with the Board a petition stating the name of the applicant, principal office and place of business, legal and general description of the route, and map. Section 479B.4 further requires the applicant establish that its financial condition is satisfactory pursuant to IOWA CODE § 479B.13 (1999).

The Board has reviewed Kinder Morgan's request for a permit and finds the petition substantially complies with the requirements set forth in IOWA CODE § 479B.4 (1999). With regard to the requirements of IOWA CODE § 479B.13 (1999), Kinder Morgan has satisfactorily demonstrated that it has property subject to execution within this state, other than pipelines or underground storage facilities, of a value in excess of \$250,000. Therefore, Kinder Morgan's petition requesting a hazardous liquid pipeline permit is granted. Pursuant to IOWA CODE § 479B.13 (1999), a permit will be issued simultaneously with this order.

IT IS THEREFORE ORDERED:

The petition for a permit to operate and maintain a hazardous liquid pipeline filed by Kinder Morgan Operating L.P. "A" on August 5, 1998, as amended on January 8, 1999, and September 28, 1999, is granted.

UTILITIES BOARD

/s/ Allan T. Thoms

ATTEST:

/s/ Raymond K. Vawter, Jr. /s/ Diane Munns
Executive Secretary

Dated at Des Moines, Iowa, this 25th day of October, 1999.

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

IN RE: KINDER MORGAN OPERATING L.P. "A"	DOCKET NO. HLP-98-0010
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HAZARDOUS LIQUID PIPELINE PERMIT

(Issued October 25, 1999)

Permit No. N0035

Lateral Main Line Across Iowa

Permit No. N0035 is granted to Kinder Morgan Operating L.P. "A," Houston, Texas, to operate and maintain a pipeline in Fremont, Mills, Montgomery, Pottawattamie, Cass, Adair, Madison, Warren, Polk, Jasper, Poweshiek, Iowa, Johnson, Cedar, and Scott counties, Iowa. The pipeline is for the transportation of liquid hydrocarbons over the route attached to and incorporated by reference in this permit.

Permit No. N0035 is granted subject to the provisions of IOWA CODE chapter 479B (1999) and the "Decision and Order Granting Permit" issued simultaneously in this docket. Permit No. N0035 shall be effective until October 25, 2024, unless revoked, terminated, or amended by the Utilities Board.

UTILITIES BOARD

/s/ Allan T. Thoms
Chairman

ATTEST:

/s/ Raymond K. Vawter, Jr.
Executive Secretary

Dated at Des Moines, Iowa, this 25th day of October, 1999.